



FAIRFAX COUNTY

DEPARTMENT OF PURCHASING & SUPPLY MANAGEMENT
12000 GOVERNMENT CENTER PARKWAY, SUITE 427
FAIRFAX, VIRGINIA 22035-0013

www.fairfaxcounty.gov/dpsm

VIRGINIA

Telephone: (703) 324-3201 Fax: (703) 324-3228 TTY: 1-800-828-1140

APR 28 2003

AMENDMENT NO. 1

SUBJECT: Medical Programs for Fairfax County Public Government

CONTRACTOR

Group Hospitalization
and Medical Services
(d.b.a. CareFirst Blue Cross Blue Shield)
550 12th Street, SW
Washington, DC 20065

VENDOR CODE

B530078070-01

CONTRACT NO.

PC01-474476-18A

Contract #PC01-474476-18A is amended to reflect the addition of an on-site Account Service Representative (ASR) as per the attached agreement. All other terms and conditions remain the same.

Cathy A. Muse, CPPO
Director/County Purchasing Agent

CAM/MRM/h:/amd01.a

DISTRIBUTION:

Finance- Accounts Payable
DPSM- Admin. Section
Asst. Buyer, Team 1 – Mable McCarthy
Dept. of Human Resources, Benefits- Karen Diviney

Contractor
Contract Administrator

LOANED EMPLOYEE AGREEMENT

THIS AGREEMENT is entered between Group Hospitalization and Medical Services, Inc. d/b/a CareFirst BlueCross Blue Shield ("CareFirst") and Fairfax County Government ("Fairfax") and shall be effective as of September 16, 2002. This Agreement is an amendment to Contract PC01-474476-18A.

WHEREAS; CareFirst provides certain administrative services to Fairfax pursuant to an Administrative Services Agreement executed by the parties with respect to the administration of its employee benefits plan; and

WHEREAS; Fairfax has requested that an employee of CareFirst in the position of Account Service Representative ("ASR") work from Fairfax's work location at 12000 Government Center Parkway Fairfax, Virginia 22030 on a daily basis to assist Fairfax in the administration of its employee benefits plan; and

WHEREAS; CareFirst has hired an at-will employee to fill the position of ASR and agrees to accommodate Fairfax's request.

NOW THEREFORE, in consideration of the mutual promises hereinafter contained, the parties hereto agree as follows;

1. **EMPLOYER.** CareFirst shall be the employer of the ASR and shall be responsible, as the employer, to: a) maintain the ASR on its payroll and in its benefits plans. The ASR's base salary may be increased from year to year in accordance with CareFirst's compensation programs; and CareFirst shall provide the ASR with all employment related fringe benefits provided to other regular full time employees of CareFirst, including but not limited to, health, dental, vision, life and disability insurance, participation in the pension, 401(k) and incentive plans, and tuition reimbursement. CareFirst will cover the ASR under any and all applicable business liability plans, including but not limited to worker's compensation; and will withhold and pay all appropriate payroll related taxes, including but not limited to: federal, social security, medicare, unemployment, state, and local income taxes.

2. **DUTIES.** The ASR shall be an exempt level position exclusively dedicated to Fairfax's account and will perform all job duties from Fairfax's office location at 12000 Government Center Parkway Fairfax, Virginia 22030. The ASR will dedicate 75% of his/her work week to direct support of the Fairfax contract and the remaining 25% of his/her work week will be at the direction of CareFirst management and will consist of work indirectly related to Fairfax, such as monitoring customer service representatives assigned to Fairfax and other such related tasks.

3. **SCHEDULING.** CareFirst, Fairfax and the ASR shall be responsible for the scheduling of all professional services rendered to the employees, retirees and covered dependents enrolled in a CareFirst health plan which are necessary to permit the ASR to

successfully fulfill the responsibilities and obligations under the Job Description of ASR dedicated to Fairfax. The ASR will provide services five (5) days a week (Monday-Friday) on the basis of a regular full time workweek in accordance with CareFirst policy. Specific work hours will be agreed upon between the ASR, CareFirst and Fairfax but will generally cover the core hours of 8:00 a.m. to 4:30 p.m. CareFirst, Fairfax, and the ASR shall put forth best efforts to cooperate in identifying the goals, expectations and scheduling of the ASR, including but not limited to, division of work hours and/or days and Paid Time Off. The ASR shall be provided with a 15 minute paid break and a 45 minute unpaid lunch period each work day. The ASR shall follow CareFirst's Holiday Schedule, a copy of which shall be provided to Fairfax. The ASR shall report to and work on the premises of CareFirst if Fairfax has scheduled holiday or emergency closings that are not applicable to CareFirst employees under the CareFirst Holiday Schedule. The ASR shall be eligible for Paid Time Off ("PTO") in accordance with CareFirst Human Resources policy and guidelines and the ASR shall notify CareFirst management and Fairfax of any PTO scheduled or unscheduled. In the event of any goal, expectation and/or scheduling conflicts, CareFirst and Fairfax will put forth their best efforts to reach a resolution.

4. **SUPERVISION.** CareFirst shall be responsible for the direct supervision of the ASR, including but not limited to, final approval of scheduling and vacation, attendance, setting performance expectations and goals, performance evaluations, and other day to day responsibilities involved with the supervision of any employee. CareFirst will request performance feedback from Fairfax and Fairfax will direct any performance related issues directly to CareFirst management.

5. **COST.** Fairfax shall reimburse CareFirst, seventy-five percent (75%) of the total cost associated with the ASR, as identified herein. For 2002, the total annual cost for the ASR shall be Fifty Four Thousand Six Hundred Fifty Dollars (\$54,650.00). Fairfax shall reimburse CareFirst the annual amount of Forty Thousand Nine Hundred Eighty Seven Dollars and Fifty Cents (\$40,987.50) payable on a monthly basis. Such amount shall be billed to Fairfax on a monthly basis along with all administrative fees owed to CareFirst under the terms of the Administrative Services Agreement entered into between CareFirst and Fairfax and shall be paid to CareFirst along with all administrative fees due. Fairfax understands and acknowledges that CareFirst employees are generally eligible for annual merit increases in or about February of each calendar year and Fairfax shall be responsible for seventy-five percent (75%) of the ASR's annual merit increase (generally within the range of 2-10% of base salary). If Fairfax is more than 30 (thirty) days delinquent in its reimbursements, identified herein, then CareFirst shall be entitled to terminate this Agreement in accordance with the provisions of Paragraph 8 of this Agreement and to pursue recovery of any outstanding obligations, in accordance with Paragraph 18 of this Agreement. The cost, set forth herein, shall be adjusted annually to reflect increased or decreased costs associated with the ASR, a modification of the proportion of the payments, or any other modifications agreed to by the parties, with a limit of 10% per year. All such adjustments must be agreed upon by the parties. Fairfax reserves the right to discontinue the ASR services if it is deemed that the proposed salary and benefit package is beyond what Fairfax is willing to pay for said services.

6. **EQUIPMENT, SUPPLIES, OFFICE SPACE.** Fairfax shall provide the ASR with suitable office space, materials and supplies necessary to render services to Fairfax at Fairfax's location. Such equipment shall include, but is not necessarily limited to: ergonomically correct furniture, a telephone, a separate telephone line, and connectivity to the internet to enable the ASR to access CareFirst's computer systems and networks at no charge to CareFirst or the ASR. Fairfax shall also provide the ASR access to a copy machine, fax machine, and other office materials necessary to perform the functions of the ASR's job duties, at no charge to CareFirst or the ASR. CareFirst shall provide the ASR with a laptop computer, printer and a docking station and CareFirst shall be responsible for all required computer upgrades and help desk support for the ASR's computer.

7. **TERM.** This Agreement shall become effective September 16, 2002. The term of this Agreement is subject to the term of contract PC01-474476-18A.

8. **TERMINATION.** This Agreement may be terminated by either party for any reason by providing thirty (30) days' written notice of the intention to terminate to the other party. Fairfax shall reimburse CareFirst for its pro-rata share of all costs incurred, in accordance with Paragraph 5, by CareFirst for the ASR through the effective date of the termination of this Agreement. Additionally, this Agreement may be terminated with less than thirty (30) days' written notice if the ASR assigned to Fairfax terminates employment with CareFirst with less than thirty (30) days notice at which time CareFirst will notify Fairfax of the termination date of this Agreement and will provide Fairfax as much notice as possible under the circumstances.

9. **EQUAL OPPORTUNITY EMPLOYER.** CareFirst is an equal employment opportunity and Executive order 11246 affirmative action employer. The parties support a policy which prohibits discrimination against any employee or applicant for employment on the basis of age, race, sex, color, national origin, religion, physical or mental disability, veteran status or any other classification protected by law or ordinance. The parties agree that they are in full compliance with the Equal Employment policy as expressed herein.

10. **CONFIDENTIALITY.** The parties hereby agree that if any confidential and/or proprietary information of one party is disclosed to the other party, in the furtherance of this Agreement, the party to whom the confidential and/or proprietary information was disclosed shall take all necessary precautions to ensure that the confidential and/or proprietary information is not disclosed further than it has already been disclosed. Both parties shall maintain appropriate policies and procedures to protect and insure the confidentiality of information the ASR will have access through the ASR's use of CareFirst claims and service systems on Fairfax's premises.

11. **PRIVACY.** Fairfax shall comply in all respects with the privacy rules and regulations under the Health Insurance Portability and Accountability Act of 1996, once effective, and shall certify such compliance to CareFirst on an annual basis.

12. **NOTICES.** Any notice required under this Agreement, shall be deemed effective if delivered, in writing, to:

TO: CAREFIRST: Group Hospitalization and Medical Services, Inc.
Attn: Stephanie Golden, Director Member & Provider Services
550 12th Street, SW
Washington, D.C. 20065

TO: FAIRFAX: Fairfax County Government
Department of Human Resources-Suite 258
Attn: Karen Diviney, Benefits Administrator
12000 Government Center Parkway
Fairfax, Virginia 22030

13. **APPLICABILITY.** This Agreement shall be binding upon, and shall inure to the benefit of, the parties, and their respective successors, assigns, executors and administrators.

14. **ENTIRE AGREEMENT.** This Agreement is an amendment to PC01-474476-18A.

15. **MODIFICATION.** Any amendment or modification of this Agreement must be in writing and signed by both parties.

16. **WAIVER.** The waiver by either party of a breach of any provision of this Agreement shall not operate, or be construed, as a waiver of any subsequent breach.

17. **CONTRACTUAL DISPUTES.**

- a. Any dispute concerning a question of fact as a result of a contract with the County which is not disposed of by agreement shall be decided by the County (Fairfax) Purchasing Agent, who shall reduce his decision to writing and mail or otherwise forward a copy thereof to the contractor within thirty (30) days. The decision of the County Purchasing Agent shall be final and conclusive unless the contractor (CareFirst) appeals within six (6) months of the date of the final written decision by instituting legal action as provided in the Code of Virginia. A contractor may not institute legal action, prior to receipt of the public body's decision on the claim, unless the public body fails to render such decision within the time specified.
- b. Contractual claims, whether for money or other relief, shall be submitted in writing no later than sixty (60) days after final payment; however, written notice of the contractor's intention to file such claim shall have been given at the time of the occurrence or beginning of the work upon which the claim is based. Nothing herein shall preclude a contract from requiring submission of an invoice for final payment within a certain time after completion and acceptance of the work or acceptance of the goods. Pendency of claims shall not delay payment of amounts agreed due in the final payment.

18. **LEGAL ACTION.** No bidder, offeror, potential bidder or offeror, or contractor shall institute any legal action until all statutory requirements have been met.

19. **GOVERNING LAW.** This Agreement shall be subject to and governed by the laws of the State of Virginia.

This Agreement is subject to appropriations by the Fairfax County Board of Supervisors.

Group Hospitalization and Medical Services, Inc..
d/b/a CareFirst BlueCross BlueShield

04/04/03
DATE

BY: Stephanie Golden
Stephanie Golden, Director Member and Provider Services

Fairfax County Government

4/25/03
DATE

BY: Cathy A. Muse
Cathy A. Muse, CPPO, Director/County Purchasing Agent

agreements/Fairfax County